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**POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
NEW ROADS, LOUISIANA**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 1998**

**A COMPONENT UNIT OF THE
POINTE COUPEE PARISH POLICE JURY**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

MAR 2 4 1999

Release Date _____

POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
19255 PORT ROAD
LETTSWORTH, LA 70753
(504) 492-3367

GOVERNING BOARD

POINTE COUPEE PARISH POLICE JURY APPOINTEES

James Bellanger
Ted Glaser
Ovide Desoto
Vacancy

CITY OF NEW ROADS APPOINTEES

Roland Roberts
Vacancy

VILLAGE OF MORGANZA

Mitch Frey (Sec/Treas)

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George F. Delaune

CERTIFIED PUBLIC ACCOUNTANT

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OFFICERS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Commissioners
Pointe Coupee Port Commission
Parish of Pointe Coupee, Louisiana

I have audited the accompanying general purpose financial statements of the **POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT, PARISH OF POINTE COUPEE, LOUISIANA** (the "District"), a component unit of the Pointe Coupee Parish Police Jury, as of and for the year ended December 31, 1997, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the Board of Commissioners. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and with provisions of Louisiana Revised Statute 24:513 and the provisions of the *Louisiana Governmental Audit Guide*, published jointly by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards and the Guide require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District as of December 31, 1998, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued my report dated January 27, 1999, on my consideration of the District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

George F. Delaune, CPA

January 27, 1999

POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
NEW ROADS, LOUISIANA
BALANCE SHEET
DECEMBER 31, 1998, 1997 AND 1996

	1998	1997	1996
ASSETS			
Current Assets:			
Cash and investments	\$101,438	\$94,119	\$75,698
Receivables -			
Port charges and leases	30,663	29,978	40,341
Damages and refunds	11,246	11,246	11,246
Prepaid insurance	6,214	5,131	4,975
Total Current Assets	149,561	140,474	132,260
Property, Plant, and Equipment:			
Dock facilities	418,264	418,264	418,264
Roads and parking areas	18,617	18,617	18,617
Fencing	7,886	7,886	7,886
Sewer system and lines	3,310	3,310	3,310
Storage facilities	30,388	30,388	30,388
Machinery and equipment	28,179	28,179	28,179
Office equipment	10,408	10,408	10,408
Truck			800
Signs	958	958	958
	518,010	518,010	518,810
Less accumulated depreciation	(463,779)	(434,487)	(398,705)
Total Property, Plant, and Equipment, Net	54,231	83,523	120,105
TOTAL ASSETS	\$203,792	\$223,997	\$252,365

The accompanying notes are an integral part of this statement.

	<u>1998</u>	<u>1997</u>	<u>1996</u>
LIABILITIES AND FUND EQUITY			
Current Liabilities:			
Accounts payable	\$300	\$251	\$1,642
Management fee payable	20,736	26,980	30,717
Advance rents collected	<u>5,098</u>	<u>1,602</u>	<u>1,602</u>
Total Current Liabilities	<u>26,134</u>	<u>28,833</u>	<u>33,961</u>
Total Liabilities	<u>26,134</u>	<u>28,833</u>	<u>33,961</u>
Fund Equity:			
Retained earnings - unrestricted	<u>177,658</u>	<u>195,164</u>	<u>218,404</u>
Total Fund Equity	<u>177,658</u>	<u>195,164</u>	<u>218,404</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$203,792</u></u>	<u><u>\$223,997</u></u>	<u><u>\$252,365</u></u>

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
NEW ROADS, LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996**

	<u>1998</u>	<u>1997</u>	<u>1996</u>
Revenues:			
Lease rentals and duties	\$33,685	\$33,218	\$33,220
Limestone loading charges	23,378	41,397	28,420
Cottonseed loading charges	6,332	4,032	
Fertilizer unloading charges	2,061	7,119	8,091
Dockage charges	6,105	9,784	4,725
Water charges	2,019	998	614
Interest earned on investments	<u>5,023</u>	<u>1,971</u>	<u>1,964</u>
 Total Revenues	 <u>78,603</u>	 <u>98,519</u>	 <u>77,034</u>
Expenses:			
Payroll taxes			1,807
Travel expense			223
Meetings			388
Dues		450	
Contract labor and expense			402
Management fees	51,390	71,563	54,924
Audit fees	1,400	1,400	1,400
Legal fees	1,600		3,022
Professional fees	1,610		100
Bookkeeping		800	875
Repairs, maintenance and supplies			2,212
Utilities	2,310	2,499	3,909
Insurance	7,197	6,506	6,641
Office supplies, postage, and copier	322	63	271
Telephone and pager service	869	762	926
Depreciation	29,291	36,582	38,998
Uncollectibles and billing adjustments	<u>120</u>	<u>1,134</u>	<u>176</u>
 Total Expenses	 <u>96,109</u>	 <u>121,759</u>	 <u>116,274</u>
 Net (Loss)	 (17,506)	 (23,240)	 (39,240)
 Retained Earnings - January 1	 <u>195,164</u>	 <u>218,404</u>	 <u>257,644</u>
 RETAINED EARNINGS - DECEMBER 31	 <u><u>\$177,658</u></u>	 <u><u>\$195,164</u></u>	 <u><u>\$218,404</u></u>

The accompanying notes are an integral part of this statement.

POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
NEW ROADS, LOUISIANA
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996

	1998	1997	1996
Cash Flows From Operating Activities:			
Net (loss)	(\$17,506)	(\$23,240)	(\$39,240)
Adjustments to reconcile net (loss) to net cash provided by operations -			
Depreciation	29,291	36,582	38,998
(Increase) decrease in -			
Accounts receivable	(685)	10,363	(31,430)
Prepaid insurance	(1,083)	(156)	251
Decrease (increase) in -			
Accounts payable	50	(1,391)	1,122
Management fee payable	(6,244)	(3,737)	6,642
Advance rents collected	3,496		(3,502)
	7,319	18,421	(27,159)
Net Cash Provided (Used) by Operating Activities			
Net Increase (Decrease) in Cash	7,319	18,421	(27,159)
Cash - January 1	94,119	75,698	102,857
CASH - DECEMBER 31	\$101,438	\$94,119	\$75,698

The accompanying notes are an integral part of this statement.

POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

NOTE 1 - INTRODUCTION

The Pointe Coupee Port, Harbor and Terminal District (the "District") was created by Act No. 23 of the 1967 Regular Session of the Louisiana Legislature, Louisiana Revised Statutes 34:2451 et seq., as a political subdivision of the state with full corporate powers. The territorial limits and territorial jurisdiction of said District shall be the territory comprising and lying within the limits and boundaries of the Parish of Pointe Coupee, Louisiana.

The Pointe Coupee Port Commission was created by the same Act and was established as the governing authority of the District. The commission is composed of seven members, who are appointed and serve for terms as follows:

1. Four commissioners are appointed by the governing authority of the Parish of Pointe Coupee;
2. Two commissioners are appointed by the governing authority of the City of New Roads; and
3. One commissioner is appointed by the governing authority of the Village of Morganza.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying general purpose financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Pointe Coupee Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and

criteria to be considered in

POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

- a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
 3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

In applying criteria 1, the District was determined to be a component unit of the Pointe Coupee Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

Fund Accounting

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available resources.

Funds of the District are classified as proprietary funds. Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

Enterprise Fund -- account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a

POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, and all assets and liabilities associated with the operation of these funds are included on the balance sheet. The proprietary funds use the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized at the time liabilities are incurred.

Encumbrances

The District does not follow the encumbrance method of accounting.

Cash and Cash Equivalents and Investments

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less are considered to be cash equivalents. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with a bank organized under Louisiana law or of any other state of the United States, or under the laws of the United States.

Under state law, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

Bad Debts

The District uses the direct charge-off method whereby uncollectible amounts due from ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The direct charge-off method is used because it does not cause a material departure from GAAP and it approximates the valuation method.

criteria to be considered in

POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

Inventories

Inventories for supplies are immaterial and are recorded as expenditures when purchased.

Fixed Assets

All fixed assets are stated at purchased historical cost. The cost of additions includes contracted work, direct labor, materials and allowable costs. Significant additions, improvements, maintenance and repairs are capitalized.

Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against its operations. Depreciation has been provided over the estimated useful lives using the straight line method. The estimated useful lives are as follows:

Dock facilities	5 - 15 years
Machinery and equipment	5 years
Office equipment	5 years

Fund Equity

Unreserved retained earnings for proprietary funds represent the net assets available for future operations.

NOTE 3 - CASH AND INVESTMENTS

At December 31, 1998, the District has cash (book balances) totaling \$4,525 in demand deposit accounts. These deposits are stated at cost, which approximates market and are fully secured by federal deposit insurance (\$4,569 collected bank balances).

At December 31, 1998, the District has invested \$96,913 in the Louisiana Asset Management Pool (LAMP). This amount is not evidenced by securities that exist in physical or book entry form and are not categorized. The District retains a separate ownership interest in this pooled investment program.

POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

NOTE 4 - CHANGES IN FIXED ASSETS

A summary of changes in fixed assets follows:

	Balance 01-01-98	Additions	Deletions	Balance 12-31-98
Dock facilities	\$ 418,264			\$ 418,264
Roads and parking areas	18,617			18,617
Fencing	7,886			7,886
Sewer system and lines	3,310			3,310
Storage facilities	30,388			30,388
Machinery and equipment	28,179			28,179
Office equipment	10,408			10,408
Signs	958			958
	<u>\$ 518,010</u>			<u>\$ 518,010</u>
Accumulated depreciation	<u>\$ 434,487</u>	<u>\$ 29,291</u>		<u>\$ 463,779</u>

NOTE 5 - PENSION PLAN

The District has no employees; therefore, no pension plans are in effect.

NOTE 6 - LOCAL SERVICE AGREEMENT

On September 18, 1973, the District and the Parish of Pointe Coupee Police Jury entered into a local service agreement to acquire the funds necessary for the construction, administration, operations and maintenance of the Port. The major agreements to the contract are as follows:

Section 2. In consideration of the mutual covenants and agreements herein contained, the *Parish* contracts and agrees:

- a. To acquire certain real property at a site within the Parish of Pointe Coupee, which property would include a location suitable for the construction of a port facility;

POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

- b. To make available to the Port that portion of the property so acquired, at no cost to said Port, for a period of five (5) years from the date of acquisition of said property; and
- c. In the event said port facilities are constructed and placed in operation, the Parish shall underwrite the expenses for the administration, operations and maintenance of said port facility for a period not to exceed 3 years from the date of the commencement of operation and in an amount not to exceed \$50,000 per year.

Section 3. In consideration of the mutual covenants and agreements herein contained, the Port contracts and agrees:

- a. To undertake the actual administration, operation and maintenance of any port facility constructed pursuant to this agreement;
- b. To acquire by purchase from the Parish the land upon which any such port facilities are actually located within five (5) years from the date of purchase by the Parish at a sum which represents the purchaser's actual cost; and
- c. Should it be necessary for the Port to call upon the Parish to expend any funds under the guaranty agreement mentioned above for the administration, operation and maintenance of such port facility, then the Port agrees to reimburse the Parish from time to time, as a first priority out of any surplus over the actual costs of the administration, operation and maintenance of any facility constructed hereunder.

NOTE 7 - CONTINGENCY - ACQUISITION OF REAL ESTATE FROM PARISH

The District has not exercised its agreement to acquire the land upon which the port facility is located. This land contained 7.3265 acres at a cost to the Parish of \$10,989.75, which was acquired on August 29, 1974.

NOTE 8 - DESCRIPTION OF LEASING ARRANGEMENTS

All leased land is owned by the Police Jury of the Parish of Pointe Coupee; however, rental payments are to the Pointe Coupee Parish Port, Harbor and Terminal District.

POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

Louis Dreyfus Corporation

On December 12, 1975, Old River Terminal Co-op entered into a lease with the Police Jury of the Parish of Pointe Coupee. The lease is for a term of 20 years, commencing January 1, 1976, and terminating on December 31, 1995, subject to renewal. On July 27, 1987, Louis Dreyfus Corporation acquired this lease by assignment.

The lease covers a 12 acre tract or parcel of land on which the storage facilities and office buildings have been erected. Also, included in the lease is the entire docking facilities which were erected by the Lessor.

The rental to be paid by the Lessee to Lessor was to commence on January 1, of the second calendar year following the completion of Lessee's grain elevator port facility, and for the original term of the lease the rental shall be as follows:

The basic guaranteed annual rental as amended shall be \$25,000 per year payable on or before December 1, of the calendar year for which said rental is owed. Port charges to be applied against said rental are as follows:

- a. The basic price for grain handling is \$0.01 per bushel for any and all grain shipped through the facility regardless of the amount.
- b. The basic guaranteed annual rental shall be the greater of \$25,000 per year or two-thirds of the average volume of grain shipped through the facilities between the years 1988 and 1996 multiplied by \$0.01 per bushel.

All of the provisions of this lease shall inure to the benefit of and be binding upon the successors, sub-tenants and assigns of the parties hereto, and the heirs, administrators and executors of any individual assignee, sub-tenant or successor of either of the parties hereto.

Ouachita Fertilizer Company, Inc.

Ouachita Fertilizer Company, Inc. leases from the Pointe Coupee Parish Port, Harbor and Terminal District and the Pointe Coupee Parish Police Jury, Lot #1, for a term of 10 years commencing January 1, 1986, and terminating December 31, 1995, and renewed for an additional 5 years.

POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
 NEW ROADS, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 1998

Lot #1 is a 50' wide tract containing 3.472 acres. Also included in the lease is a 30' servitude and easement extending from Lot #1 to, and along the West side of the dock of Lessors on lower Old River, to the end of said dock with reasonable access to and use of the entire dock facility.

The Lessee pays annual rental in the amount of \$3,000 for the primary term of the lease, payable in advance and \$3,500 annually for the renewal period.

Terral Barge Line, Inc.

On October 29, 1990, Terral Barge Line, Inc. entered into a lease with the Police Jury of the Parish of Pointe Coupee and the Pointe Coupee Parish Port Commission. The lease is for a term of 5 years, commencing September 1, 1990, and terminating on August 30, 1995, and renewed for an additional 5 years.

The lease covers Lots 14, 15 and 16-A which contains 6 acres together with servitude and easement. The Lessee shall pay unto Lessors annual rental in the amount of \$2,400 per year in advance to commence on September 1, 1990.

Tri-Parish Gin, Inc.

On January 30, 1991, Tri-Parish Gin, Inc. entered into a lease with the Police Jury of the Parish of Pointe Coupee and the Pointe Coupee Parish Port Commission. The lease is for a term of 20 years, commencing January 1, 1991, and terminating on December 31, 2010, subject to renewal.

The lease covers Lots 9, 10, 11, and 12 of Block 2 and Lots 17, 18, 19, 20, 21, 22 and a portion of Lot 16 of Block 3.

The Lessee shall pay unto Lessors in advance annual rentals as follows:

<u>Year</u>	<u>Annual Rental</u>
1991	None
1992	\$1,090.68
1993	1,090.68
1994	1,454.24
1995	1,454.24
1996	1,817.80

POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

1997	1,817.80
1998	2,181.36
1999	2,181.36
2000	2,544.92
2001 - 2010	3,635.60

NOTE 9 - LITIGATION AND CLAIMS

There is no pending litigation against the District.

NOTE 10 - COMPENSATION PAID TO BOARD MEMBERS

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, compensation paid to board members is as follows:

Tammy Leonards, President	\$0
James Bellanger	0
Mitch Frey	0
Ted Glaser	0
Roland Roberts	0
Ovide Desoto	0
	<hr style="width: 100%;"/>
Total Compensation	<u><u>\$0</u></u>

NOTE 11 - FEDERAL FINANCIAL ASSISTANCE

There are no active awards for the year ended December 31, 1998.

NOTE 12 - MANAGEMENT AGREEMENT

The District entered into a Management Agreement with Terral Riverservices, Inc., "TRS" effective April 1, 1995, for a period of 4 3/4 years. TRS will act as agent for the District and will:

- received all revenues and leases and maintain accounting records,

POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

- manage the dock and provide such personnel as needed to operate the crane and stevedoring obligations, and
- maintain and repair equipment.

The District will receive the first \$20,000 of all revenues, TRS will receive the next \$60,000, and the excess over \$80,000 will be shared 25% by the District and 75% by TRS. For the balance of 1995 only, the District received the first \$20,000 of all revenues, and the excess over \$20,000 will be shared 25% by the District and 75% by TRS. For 1998, TRS was due \$51,390 in management fees.

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OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

The following pages contain a report on compliance with laws and regulations and on internal control over financial reporting required by *Government Auditing Standards*, issued by the Comptroller General of the United States. The report is based solely on the audit of the financial statements and includes, where appropriate, any compliance matters, reportable conditions and/or material weaknesses that would be material to the presented financial statements.

George F. Delaune

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OFFICERS ASSOCIATION

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Members of the Board of Commissioners
Pointe Coupee Parish Port Commission
Parish of Pointe Coupee, Louisiana

I have audited the general purpose financial statements of the **POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT, PARISH OF POINTE COUPEE, LOUISIANA** (the "District"), a component unit of the Pointe Coupee Parish Police Jury, for the year ended December 31, 1998, and have issued my report thereon dated January 27, 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the District's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial

reporting. My consideration of the internal control over financial reporting structure would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operations that I consider to be material weaknesses.

This report is intended for the information of management, the Police Jury of the Parish of Pointe Coupee, New Roads, Louisiana (oversight entity), the Legislative Auditor for the State of Louisiana, and interested state and federal agencies. However, this report is a matter of public record and its distribution is not limited.

George F. Delaune, CPA

January 27, 1999

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POINTE COUPEE PORT, HARBOR AND TERMINAL DISTRICT
SCHEDULE OF FINDINGS
YEAR ENDED DECEMBER 31, 1998

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of Pointe Coupee Port, Harbor and Terminal District.
2. No reportable conditions were disclosed during the audit of the general purpose financial statements.
3. No instances of noncompliance were disclosed during the audit of the general purpose financial statements.
4. There were no federal awards received by Pointe Coupee Port, Harbor and Terminal District.

B. FINDING--FINANCIAL STATEMENTS AUDIT

None